

29 April 2018

Paul Swain
Independent Chair
New Zealand Utilities Advisory Group Inc
PO Box 25 414
WELLINGTON 6146

Sent via email: info@nzuag.org.nz

Dear Paul

Review of the national code of practice for utility operators' access to transport corridors

First Gas Limited welcomes the opportunity to make a submission on the "*National Code of Practice for Utility Operators' Access to Transport Corridors*" (the Code).

First Gas has answered the consultation questions set by the New Zealand Utilities Advisory Group (NZUAG) in **Attachment 1**. The remainder of this submission focuses on the key points of interest to our business.

About First Gas

First Gas operates 2,500km of gas transmission pipelines (including the Maui pipeline), and more than 4,600 km of gas distribution pipelines across the North Island. These gas infrastructure assets transport gas from Taranaki to major industrial gas users, electricity generators, businesses and homes, and transport around 20 percent of New Zealand's primary energy supply.

Our distribution network services 62,670 consumers across the regions of Northland, Waikato, Central Plateau, Bay of Plenty, Gisborne and Kapiti. For further information on First Gas, please visit our website www.firstgas.co.nz.

The Code remains essential to efficient planning

First Gas supports the principles of the Code and view this as a key document for the planning of utility placement across New Zealand. We believe the Code increases efficiency for utility operators as it ensures we understand the requirements and timing for utility work, when considering using a road or railway reserve. In addition, the regular meetings with other parties and the corridor managers have proved useful when developing plans. These meetings enable the parties to share the respective timing of their planned work and minimises disruption on the road networks.

Consistency in process will improve efficiency

A general principle of the Code is that the applications process is streamlined and delay is minimised. While the Code achieves this to some extent, we consider that it could be improved with a number of small changes that:

- increase consistency between the corridor managers' application of the Code and consistency between regions;

- provide further clarity in expectations; and
- align definitions with the current practical application.

We discuss these points further in **Attachment 1**.

The review process is robust

First Gas appreciates the robust review process outlined by NZUAG and welcomes the opportunity to contribute to the process for ensuring the Code remains fit for purpose. We consider this opening round of consultation will provide many helpful discussion points and insights to the NZUAG, to guide the further development of the Code.

We anticipate the proposed seminar series on the Code review process will be very useful and we look forward to participating in these seminars in the coming months.

If you have any questions regarding this submission, please contact me on 04 979 5368 or via email at karen.collins@firstgas.co.nz.

Yours sincerely

A handwritten signature in black ink, appearing to read 'K. Collins', with a long horizontal flourish extending to the right.

Karen Collins
Regulatory Manager

ATTACHMENT 1: FEEDBACK FORM FOR SECOND REVIEW OF THE NATIONAL CODE OF PRACTICE FOR UTILITY OPERATORS' ACCESS TO TRANSPORT CORRIDORS

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|---|---|
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| Supporting Documents (yes/no plus details) | No |

1. What within the Code works well and should be kept

| Section | What is working well | Why this should be retained in its current state |
|--------------|---|--|
| 5.1.1 | <p>The Corridor Access Request (CAR) process appears to work well and provides clear guidance to parties using the Code.</p> <p>The timing specified in section 5.1.1 (ii) is particularly helpful. It ensures the utility operator may commence works without notification from the Corridor Manager after 15 days following the date the CAR is received by the Corridor Manager. This provides some certainty around timing for the project, while giving the Corridor Manager sufficient time to review the application and set reasonable conditions for the work.</p> | <p>This clause supports the general principles of the Code and ensures that utility operators who provide professional process and project management can operate in an expedient manner. Corridor Managers can provide greater levels of scrutiny to those utility operators that demonstrate less than satisfactory performance.</p> |
| 2.2.4/ 2.7 | <p>The Corridor Manager regional coordination meetings, where they occur, provide useful information to all parties.</p> | <p>These provide visibility of forecast works, exposure to all stakeholders and the associated coordination of synergistic works and discussion on the code.</p> |
| A9/A10 forms | <p>The A9 and A10 forms for final works and inspections.</p> | <p>These forms provide parties with clear instructions on the documentation and action required. This is an efficient means of ensuring consistent closure to the works.</p> |

2. What within the Code is not working and should be changed?

| Section | What could be improved? | Suggested amendment and how it will affect the Code | How will this impact Corridor Manager and Utility Operators? |
|----------------------------------|--|---|--|
| 1.4.1 and 4.2 | <p>Part of the first general principle is that we work together to ensure the applications process is streamlined and delay is minimised. The current process means that a CAR manager is not assigned until the works access permit (WAP) is applied for. This may cause delays and means that the process is not as streamlined as it could be.</p> <p>By the time a WAP is applied for, the utility operator may already have been required to consult on various points or provide notifications. For example, utility operators should consult on lay positions early in the process (section 4.2.1) or provide a preliminary notification (section 4.2.2).</p> | <p>We suggest the process be amended so that each road controlling authorities (RCA) nominate a person or email address the utility operator may contact in the planning stages.</p> | <p>The application process will become more streamlined as communication channels are clear, and there is clarity on responsibilities through the early phases of a project.</p> |
| 2.7 | <p>We consider that the Corridor Manager regional coordination meetings are essential to successful forward planning. It has been our experience that they are not occurring across all regions.</p> | <p>The NZUAG should emphasise the importance and value to both the organising authority, and the invited attendees.</p> | <p>These regional meetings provide visibility of works and planning from all stakeholders and provide networking opportunities.</p> |
| CAR/A9/A10 forms and section 6.5 | <p>The CAR/A9 and A10 forms are not used consistently by all stakeholders. This includes costs which vary across the regions.</p> <p>The fee structure charged by councils can vary significantly for the same work. The consultation and fee process is identified separately, as required under the Code, but it is unclear why one council has significantly higher costs to recover than others for the same service.</p> | <p>We recommend that the forms which are established and agreed within the Code are used consistently by all stakeholders. This will facilitate an agreed, or at least more consistent, cost structure.</p> | <p>This would allow consistent work scheduling and cost evaluations.</p> |

| Section | What could be improved? | Suggested amendment and how it will affect the Code | How will this impact Corridor Manager and Utility Operators? |
|-----------|---|---|--|
| 4.2.2 | The requirement to issue a Preliminary Notification (prior to lodging a CAR) is not a practical requirement for all works. | We suggest this should be limited to major works, motorways and railway applications. | |
| 4.3.1 (5) | <p>The Code states minimum CAR submission times for different work types. However, the actual submission times required are not applied consistently across regions. This causes inefficiencies in planning as utility operators may expect a certain submission timeframe and find, upon application, that it is much longer.</p> <p>For example, the minimum time for minor works is in the most part aligned to the 5 days specified in the Code, but some regions require this to be 15 days.</p> | <p>The process in the Code could be amended to require Corridor Managers to advise the expected timing for this point in the process to utility operators.</p> <p>If this were considered impractical, a list could be maintained on the NZUAG website.</p> | Expected timing for when a CAR should be submitted is clearer. |

3. How could compliance with the Code be improved?

Suggestions:

We recommend a consideration of definitions be included in this review of the Code. Some definitions are no longer correct and others could be improved. Examples include:

- Section 2.3 refers to the HSE in Employment Act 1992. This has now been superseded by the Health and Safety at Work Act 2015 (HSAW); and
- The definition of Corridor Manager in the Code is too narrow in practice. The Code refers to the Corridor Manager as being the manager of any transport corridor. In practice, we work with compliance auditors, CAR managers, temporary traffic management, and auditors, as well as the various managers of the transport corridors. We suggest the term be broadened to Road Controlling Authority and this term replace Corridor Manager in the Code.